

# **Fiscal Services Division**

## **Legislative Services Agency**

### **Fiscal Note**

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SF 70 - Crime Victim Assistance (LSB 1139 SV)

Analyst: Beth Lenstra (Phone: (515) 281-6301) ([beth.lenstra@legis.state.ia.us](mailto:beth.lenstra@legis.state.ia.us))

Fiscal Note Version – New

Requested by Senator Brian Schoenjahn

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#### **Description**

Senate File 70 relates to eligibility for benefits and expenditures from the Crime Victim Compensation Fund. The Bill permits the Office of the Attorney General to maintain the Iowa Victim Information and Notification Everyday (IowaVINE) System. The Bill increases the payment limits for medical care, counseling services, bedding and clothing held as evidence, loss of support for dependents of a murder victim or a victim disabled from work over 60 days, and clarifies the lost wages benefit is \$1,000 per parent or caretaker rather than \$1,000 per case. The Bill also creates new benefits, including dependent care expenses incurred by the victim while attending criminal justice proceedings or medical or counseling services, replacement of locks, windows, and other security items, and transportation costs to medical, funeral, counseling, and criminal justice proceedings. The Bill allows compensation to be paid to victims of reckless boating, hit and run boating, and boating under the influence of drugs.

#### **Background**

- Receipts to the Crime Victim Compensation Fund include a portion of the criminal surcharge, restitution, certain inmate wages, federal funds, and a portion of the Operating While Intoxicated (OWI) fines. The Fund pays certain out-of-pocket expenses of crime victims and their families, as defined in Chapter 915, Code of Iowa. The Fund also covers expenses related to:
  - Administrative costs of the Crime Victim Assistance Division, including the Victim Services Grant Program.
  - Sexual Abuse Examination Program. These costs increased by \$399,000 (66.5%) in FY 2005 due to increasing the reimbursement rate for facility use and examiner fees for collections of evidence in sexual abuse cases.
  - Services and support for victims of domestic abuse and sexual assault including shelter care providers.
  - Two victim/witness coordinators in the Area Prosecutions Division of the Office of the Attorney General.
  - Training for victim service providers is limited to no more than \$100,000 annually.
- Based on actuarial studies in other states, at least \$5.2 million should be held in reserve so the Fund remains actuarially sound. This amount provides a six-month reserve for victim claims and operations in case of a catastrophic event, such as the Oklahoma City bombing. The FY 2006 ending balance was \$3.8 million.
- The Department is maintaining a three-month reserve in FY 2007, so that funds may be transferred to the Victim Assistance Grants Program, which awards funds to service providers for victims of rape, sexual assault, and domestic abuse. House File 2558 (FY 2007 Justice System Appropriations Act) requires \$3.2 million to be transferred from the Victim Compensation Fund to the Victim Assistance Grants Program, an increase of \$750,000 (30.6%) compared to the amount transferred in FY 2006.
- Federal law permits up to 60.0% of the costs of compensation paid to victims to be reimbursed by the federal Victims of Crime Act (VOCA) Funds. However, the federal

payment is not received until the following fiscal year, which may cause cash flow problems. Additionally, federal reimbursement rates are dependent on several items, including but not limited to the amount of money available in the federal VOCA Fund, and the amount of claims pending at the federal level.

- The Crime Victim Assistance Division receives federal funds to support its activities. Federal receipts are an estimated \$9.0 million in FY 2007, an increase of \$202,000 (2.3%) compared to FY 2006, as follows:
  - VOCA Compensation receipts for FY 2007 remain at the FY 2006 level of \$2.2 million. These funds are used for direct payments to victims.
  - VOCA Assistance receipts for FY 2007 are \$4.2 million, an increase of approximately \$226,000 (5.8%) compared to FY 2006. These funds are awarded to local programs that serve victims of violent crimes.
  - Family Violence Prevention and Services Act receipts are \$1.1 million in FY 2007, a decrease of approximately \$15,000 (1.3%) compared to FY 2006. These funds are used for domestic abuse programs.
  - Violence Against Women Act (VAWA) receipts remain at the FY 2006 level of \$1.5 million. These funds are used for victim services, law enforcement, prosecution, and court services for domestic violence, sexual assault, and stalking programs.
- The Department of Justice, Crime Victim Assistance Division, was recently awarded \$1.2 million in federal funds to implement the IowaVINE System. Federal funds pay for implementing the System, not for future operating costs. The Department does plan to apply for federal funds to offset future operating costs.

### **Assumptions**

The expansion of benefits will not exceed the capacity of the Crime Victim Compensation Fund.

### **Fiscal Impact**

The estimated fiscal impact of SF 70 is an increase in expenditures from the Crime Victim Compensation Fund as follows:

- Increase the medical care benefit: \$150,000
- Increase the counseling services benefit: \$90,000
- Increase the clothing allowance: \$4,000
- Increase the loss of support benefit: \$100,000
- Increase the lost wages benefit: \$200,000
- Allow reimbursement for dependent care: \$100,000
- Allow reimbursement for replacement of locks, windows, and other security items: \$40,000
- Allow reimbursement for transportation costs to medical, counseling, funeral, or criminal justice proceedings: \$300,000
- Allow reimbursement for victims of reckless boating, hit and run boating, and boating under the influence of drugs: \$16,000
- Allow reimbursement for the operating costs of the IowaVINE System: \$400,000

Senate File 70 is estimated to increase expenditures from the Crime Victim Compensation Fund by no more than \$1.4 million annually. These expenditures would reduce the year-end fund balance. Any federal reimbursement for direct payment to victims will be received in the next fiscal year.

### **Source**

Office of the Attorney General

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/s/ Holly M. Lyons

February 8, 2007

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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